

COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

DOCKET NO. DTE 01-20

TESTIMONY OF  
WILLIAM D. SALVATORE

On behalf of  
AT&T COMMUNICATIONS OF NEW ENGLAND, INC.

DATED: July 18, 2001

TESTIMONY  
WILLIAM D. SALVATORE

1 Q. PLEASE STATE YOUR NAME, BUSINESS ADDRESS AND PRESENT  
2 POSITION.

3 A. My name is William D. Salvatore and my office is located at  
4 32 Avenue of the Americas, New York, New York. I hold the  
5 position of District Manager - Regulatory Affairs for AT&T.  
6 I am responsible for regulatory matters relating to AT&T's  
7 local market entry in New York and New England.

8

9 Q. ARE YOU THE SAME WILLIAM SALVATORE WHO PROVIDED DIRECT  
10 TESTIMONY IN THE INSTANT PROCEEDING?

11 A. Yes.

12

13 Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?

14 A. The purpose of my testimony is to bring to the Department's  
15 attention the fact that Verizon-MA has failed to file cost  
16 estimates for line splitting in conjunction with the  
17 unbundled network element-platform ("UNE-P") and, further,  
18 refuses to provide such an offering in contravention of the  
19 Department's Order in D.T.E. 98-57-Phase III-A, effective  
20 October 2, 2000. AT&T recommends that the Department  
21 immediately order Verizon-MA to provide UNE-P/line  
22 splitting and, since line splitting and line sharing are  
23 essentially the same service, set the rates for line

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1       splitting equal to the rates established in the instant  
2       proceeding for line sharing.

3   **Q.   PLEASE EXPLAIN WHAT IS MEANT BY LINE SPLITTING AND LINE**  
4       **SHARING?**

5   **A.**   Line splitting and line sharing are functionally the same  
6       service.  They both permit the range of frequencies  
7       transmitted over a typical 2 wire residential loop to be  
8       split in order to provide simultaneous transmission of both  
9       data for DSL service (high frequency portion of the loop)  
10      and voice services (low frequency portion of the loop).  
11      The only difference between line sharing and line splitting  
12      is that the term line splitting is used to denote that  
13      situation where a CLEC provides both the voice and data  
14      (either alone or in conjunction with a data LEC) over the  
15      same line.  The term line sharing is used in those  
16      situations where the ILEC provides the voice and a CLEC  
17      provides the data over the same line.

18   **Q.   IS THE SAME EQUIPMENT USED AT THE CENTRAL OFFICE TO PROVIDE**  
19       **BOTH LINE SPLITTING AND LINE SHARING?**

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1   **A.**   Yes.  In general, the same equipment/facilities required at  
2           the Central Office to provide both line splitting and line  
3           sharing are the same, i.e., splitters, splitter peripheral  
4           equipment and cross connection arrangements.

5           Splitters are equipment that separates the high (data) and  
6           low (voice) frequencies of the loop, thereby permitting  
7           simultaneous voice and data transmission over a single  
8           loop.  Peripheral equipment such as racks is also necessary  
9           to provide shelf space for splitters.  Cross-connections  
10          are necessary to connect the high frequency data signals to  
11          a CLEC's collocation arrangement for multiplexing,  
12          switching and transmission over a data network such as the  
13          internet and for voice signals to be connected to the  
14          ILEC's local switch for access to the public switched  
15          network.  The same splitters, peripheral equipment and  
16          cross connection arrangements are used both in a UNE-P/line  
17          splitting arrangement and in a line sharing arrangement  
18          because, as stated earlier, the only difference between the  
19          two scenarios is whether the ILEC or CLEC provides the  
20          voice service to the end user.

21   **Q.**   **HAS THE DEPARTMENT PREVIOUSLY ORDERED LINE SPLITTING WITH**  
22           **UNE-P?**

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1   **A.**   Yes.   In its Order in D.T.E. 98-57, Phase III-A, the  
2           Department reversed a previous Order and required Verizon-  
3           MA to provide line splitting in conjunction with UNE-P.  
4           The Department stated in this regard:

5                   Upon further analysis of the SBC Texas Order, we  
6                   find that we incorrectly interpreted that Order,  
7                   and we now conclude that Verizon is required to  
8                   keep the UNE-P arrangement intact when CLECs use  
9                   line splitting to provide voice and data services  
10                  to customers over the same Verizon-leased line<sup>1</sup>.

11   **Q.**   **HAS THE FCC ORDERED LINE SPLITTING WITH UNE-P?**

12   **A.**   Yes.   In its January 19, 2001 Order (para. 16) in FCC  
13           01-26, the FCC clarified that ILECs are required to offer  
14           line splitting in conjunction with UNE-P.   It states:

15                   We grant the petitions of AT&T and WorldCom with  
16                   respect to their request for clarification that  
17                   an incumbent LEC must permit competing carriers  
18                   providing voice service using the UNE-platform to  
19                   either self-provision necessary equipment or  
20                   partner with a competitive data carrier to  
21                   provide xDSL service on the same line.

22   **Q.**   **IS THE INSTANT PROCEEDING THE PROPER VEHICLE FOR THE**  
23           **DEPARTMENT TO SET PERMANENT RATES FOR VERIZON'S UNE-P/LINE**  
24           **SPLITTING OFFERING?**

25   **A.**   Yes.   On January 12, 2001, the Department issued its "VOTE  
26           AND ORDER TO OPEN INVESTIGATION" in which it opened this

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<sup>1</sup> Department Order in D.T.E. 98-57-Phase III-A, effective October 2, 2000,  
Section D.2.

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1       docket. In that order, the Department directed Verizon to  
2       develop TELRIC-based UNE rates. In addition, the  
3       Department stated in its June 12, 2001 Interlocutory Order  
4       (at p. 8) on an appeal of a hearing officer's denial of a  
5       motion to strike certain rate issues from the proceeding as  
6       follows (emphasis added):

7                   [T]he current docket is a new investigation  
8                   into Verizon's rates for network elements  
9                   and services and is intended to be a  
10                  *comprehensive review of these rates,*  
11                  including those established relatively  
12                  recently.

13   **Q.   HAS VERIZON PROPOSED COST-BASED RATES FOR UNE-P/LINE**  
14       **SPLITTING IN THIS PROCEEDING IN ACCORDANCE WITH THE**  
15       **DEPARTMENT'S ORDER IN DTE 98-57, PHASE III-A?**

16   **A.**   It does not appear so. In its response to ATT  
17       interrogatory 9-1 (see attached), Verizon states:

18                  The Department has ruled that Verizon MA is  
19                  required to provide line splitting only in  
20                  accordance with FCC rules. See D.T.E. 98-57,  
21                  Phase III-B Clarification Order. The FCC has  
22                  ruled that line splitting constitutes a new  
23                  configuration of loop, splitter and switching  
24                  elements that enables a CLEC alone or with  
25                  another CLEC to provide voice and data over a  
26                  single loop, but it is not a configuration in  
27                  which the UNE-P arrangement remains intact.<sup>2</sup>

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<sup>2</sup> D.T.E. 01-20 (Part A), Verizon MA response to ATT 9-1, dated May 18, 2001.

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1        Thus, it appears that contrary to the Department's Order in  
2        D.T.E. 98-57, Phase III-A which specifically states that  
3        Verizon MA "is required to keep the UNE-P arrangement  
4        intact" when used in conjunction with line splitting,  
5        Verizon-MA is now refusing to provide UNE-P/line splitting.

6  
7    **Q.    WHY IS THE ISSUE OF KEEPING THE UNE-P ARRANGEMENT INTACT**  
8        **WHEN USED IN CONJUNCTION WITH LINE SPLITTING ESSENTIAL FOR**  
9        **CLECS TO COMPETE WITH VERIZON-MA FOR VOICE AND DSL**  
10       **SERVICES?**

11   **A.**   From a cost and time perspective, the most efficient way  
12        for a non-facilities based carrier to serve a customer's  
13        voice needs is for the CLEC to order UNE-P.  UNE-P provides  
14        all of the individual UNEs, e.g., loops, switching,  
15        transport, signaling, etc., needed to provide end-to-end  
16        voice service to an end user in a single order without  
17        going through the time and expense of ordering the  
18        individual UNE's and incurring multiple service order  
19        charges.  This is precisely why the FCC originally required  
20        UNE-P.  In addition, in order for a CLEC to simultaneously  
21        serve its voice customer's data needs, the CLEC should  
22        simply be permitted to provide its own splitters and order  
23        the cross-connections from Verizon needed to provide DSL

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1 service just as CLECs do in a line sharing scenario where  
2 Verizon retains the end user for voice.

3 However, if the CLEC is precluded from ordering UNE-P  
4 simply because it also wishes to provide DSL service, it  
5 will be forced to order what Verizon-MA calls "a new  
6 configuration of loop, splitter and switching elements"<sup>3</sup>  
7 which may cost more and take more time to provision than  
8 UNE-P.

9 Consider also the scenario where the CLEC already provides  
10 voice service to the end user via UNE-P and the end user  
11 now wishes to purchase DSL service from the same CLEC. If  
12 the CLEC is required to disconnect the UNE-P arrangement  
13 and reorder this "new configuration", it will incur  
14 additional time and expense and possibly inconvenience to  
15 the end user simply because it wishes to add line splitting  
16 to the existing UNE-P arrangement in order to provide DSL  
17 service over the same loop. UNE-P should not be  
18 dismembered just because a CLEC wishes to provide voice and  
19 DSL service over the same loop as Verizon-MA and its data  
20 affiliate can do and as another CLEC can do if Verizon  
21 retains the end user's voice service in a line sharing

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1 scenario. CLEC's who win a voice customer from Verizon-MA  
2 and also wish to provide DSL service should not be  
3 penalized by being required to unnecessarily "jump through  
4 more hoops" than its competitors.

5 **Q. WHAT SHOULD THE DEPARTMENT DO TO LEVEL THE PLAYING FIELD**  
6 **FOR VOICE AND DSL SERVICES?**

7 **A.** In order to level the competitive playing field, the  
8 Department need only reaffirm its directive in its Order in  
9 D.T.E. 98-57, Phase III-A to keep the UNE-P arrangement  
10 intact in a line splitting scenario. voice customers of  
11 CLECs being served by UNE-P who wish to sign up for DSL  
12 service should experience no more disruption than voice  
13 customers of Verizon wishing to add DSL service. Moreover,  
14 Verizon should not be allowed to use this situation to  
15 impose new, non-recurring charges for the loop and other  
16 UNES which the CLEC is already using to provide UNE-P voice  
17 service. In addition, the Department should allow CLECs  
18 using UNE-P/line splitting to order the same  
19 splitter/cross-connection arrangements available in a line  
20 sharing scenario at the same prices, terms and conditions  
21 as are currently available in Verizon-MA's Tariff 17.

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<sup>3</sup> At this time, AT&T is not aware of what the requirements would be to

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1 Q. DOES THIS CONCLUDE YOUR TESTIMONY?

2 A. Yes it does.

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disconnect UNE-P and reorder this "new configuration" or whether this "new configuration" is even currently available.